

Mayor's Office of Community Schools and Pre-K
FISCAL YEAR 2017 BUDGET TESTIMONY
April 5, 2016

INTRODUCTION

Good morning, President Clarke and Members of City Council. I am Otis Hackney, Chief Education Officer for the Mayor's Office of Education. Joining me today are Anne Gemmell, Director of Pre-K, and Susan Gobreski, Community Schools Director. Also, James Engler, Deputy Mayor for Legislation and Policy, and Michael Galvan, Policy Director for the Mayor's Office of Education are present to answer questions as they arise. I am pleased to provide testimony on the Mayor's Office of Community Schools and Pre-K's Fiscal Year 2017 operating budget.

DEPARTMENT MISSION/PLANS

Mission: The quality of education that children receive shapes their access to resources and opportunities that affect quality of life and health outcomes. Increased access to quality Pre-K and community schools are among Jim Kenney's top initiatives as Mayor, as well as increasing access to Career and Technical Education (CTE) for high school students. The Kenney Administration is dedicated to providing a quality education to every Philadelphia child as well as preparing every student for the economy of the 21st century.

The Mayor's Office of Education, which oversees the Mayor's Office of Community Schools and Pre-K, is focused on improving the outcomes of children in Philadelphia, and will work over the next five years to implement these programs with the goal of ensuring a better future for our City. This will require an investment from the City, School District, philanthropy, and businesses, to remove silos, increase collaboration, and secure stable funding for our children and communities. With the expansion of quality Pre-K seats, development of community schools, and supporting critical career and technical training, the Mayor's Office of Education will ensure that successful collaboration improves outcomes of children in every neighborhood.

Plans for Fiscal Year 2017:

The Mayor’s Office of Community Schools and Pre-K has two core initiatives— the first is to increase the number of children enrolled in publicly funded, quality Pre-K, with a stronger, more stable, and sustainable network of early education providers committed to providing a quality education; and the second is to develop a comprehensive system to integrate services, funding, and site-based governance for Community Schools in the city of Philadelphia.

Expanded Pre-K Initiative

Currently, just about half of Philadelphia’s children arrive to kindergarten ready to start the appropriate curriculum. In large part, this reflects the lack of opportunity for children to participate in quality Pre-Kindergarten (Pre-K). Over 75% of our city’s children qualify for publicly-funded Pre-K, yet the need for affordable, quality Pre-K far outweighs the current supply of publicly-funded programs.

Total 3&4 Year Olds	Children at or below 300% Poverty (eligible for State and Federal Programs)	Current High Quality Slots*	Gap - Children Still in Need
42,516	32,619	15,189	17,430

** This represents the number of publically funded quality slots, and does not include private pay.*

To meaningfully change the life trajectory of our children and the academic outcomes of our schools, the single most important investment the City can make is in Pre-K. Children who participate in quality Pre-K face far fewer barriers to achievement throughout their academic careers than those who do not. Additionally, this investment is one that saves the City money in the long term, from four to sixteen dollars saved in future costs of social services, special education, remediation, and more for every dollar invested in quality preschool. Also, expanding access to quality Pre-K is a proactive way to invest in our children while also improving economic opportunities for working families and local childcare providers and staff, many of whom are African American women and single heads of households. Investing in quality Pre-K is a multi-generational strategy because it can not only make a significant difference in the life of a child, but it can also assist the parents and workers in the childcare sector.

In FY17, the City will look to partner with or create a non-profit intermediary whose duty will be to provide the day-to-day coordination and administration of the quality pre-K program. The intermediary would administer funds to quality Pre-K providers, build system capacity by focusing on expanding the early childhood educator workforce, and support enrollment and intake for both families and providers.

After considering several financing models, our office will seek to fund quality Pre-K slots for the traditional school day and school year. The City will fund these slots at the same rate as the State's per child rate of \$8,500 used in the high quality "Pre-K Counts" program. Program costs will begin at \$26 million in FY17 and increase to \$60 million over the course of the Five Year Plan. The number of slots provided will grow from 2,000 slots to 6,500 slots. Our office will also work to connect children with state funding for both full day and full year support.

While slot costs are the primary expense, the program also builds in supports to improve the quality of lower-quality providers. Currently, less than half of childcare providers in the city are partaking in the Keystone STARS quality rating system, and the percent of those at quality (STAR 3 and 4) currently does not have the capacity to ensure all of Philadelphia's children have equitable access to a quality Pre-K experience. This proposal will work to increase the number of quality Pre-K providers by including funding for workforce development, which includes both instructional coaching and support for non-STAR, STAR 1 and STAR 2 providers.

Additionally, funding will go to support the fiscal administration of providers. This support would be directed to STAR 3 and STAR 4 providers as they enroll new seats with city funds while working to provide additional funding through CCIS to cover a full-day, full-year cost of quality care.

As part of these efforts to support expanded Pre-K and access to quality early learning opportunities, the City, OCDEL, the School District of Philadelphia, and other stakeholders have begun to develop a one-stop system to screen for eligibility and enroll children in programs to provide free or reduced-cost child care. This initiative would determine families' eligibility for publicly funded early learning services across multiple local, state, and federal funding sources. Parents and caregivers will be able to apply for Head Start, Pre-K Counts, Child Care Subsidy, and Philadelphia's Pre-K program simultaneously (including support with documentation and follow-up steps), get information about all programs for which they qualify, and obtain advice on how to make child care choices that meet the unique needs of their families.

Additionally, the City will partner with the business and philanthropic communities for additional support with start-up costs related to facility improvements, the online enrollment and access system, workforce development, and additional supports for providers who rank lower on or who do not participate in the state's quality rating system.

By coordinating existing investments and adding additional local investments, the City will expand access to quality Pre-K for more children, and provide deep and lasting benefits for the families and residents of Philadelphia.

Community Schools Initiative

Students in Philadelphia have unequal access to the opportunities and resources necessary to thrive. Over time, the cumulative effects of concentrated poverty, institutional racism, and neighborhood disinvestment have burdened our families and children with challenges including hunger, chronic mental health needs, and, in some instances, resulted in family instability. As a result, children are not coming to school ready to learn.

The Community Schools initiative will provide additional resources to children and their families based on local priorities identified by the parents, educators, and community stakeholders for a specific school. This can include health and wellness resources as well as opportunities for expanded learning through tutoring or after-school programs. It can also include activities that support and build connections with families such as parent workshops, GED classes, and workforce development, which, in turn, can strengthen the surrounding communities.

The Community Schools strategy will have three (3) main components:

1. Each community school will have a full-time community school coordinator whose job will be to facilitate the planning process and provide ongoing coordination with families and the community.
2. Each community school will have a local strategic planning process where community and school stakeholders work together to identify and prioritize areas of need and opportunity
3. Coordination of City services and the leveraging of additional community partners will result in access to increased resources that support child and family well-being through direct delivery of services.

The Community Schools strategy is a collective impact strategy and requires significant collaboration at the school, system, and City level. This includes working with public and private partners to leverage citywide resources in support of the strategy. This work will be led by the Director of Community Schools and supported by additional positions. We are dedicated to working with the new Chief Diversity Officer, Nolan Atkinson, to ensure that these positions are filled by skilled workers as diverse as the city of Philadelphia.

We would like to thank Council President Clarke for his leadership on this and the many other members of Council who have provided valuable input on the development of the Community Schools strategy. Improved access to social and emotional supports are all critically important to the long term health and well-being of our city's children and we look forward to continuing to work with you on it.

To achieve this vision of Community Schools, the Mayor's Office of Community Schools and Pre-K has developed a budget that focuses on fully funding Community Schools at 25 schools over 4 years, coordinating resources at a city level to support the Community Schools strategy, and providing technical assistance to support an expanded cohort of schools with programs and services, in line with the developing Community Schools work.

For FY17, the City's Community Schools' budget will be \$3,587,000, which will be used to develop 5 to 7 fully-realized community schools in year 1, provide technical assistance for neighborhood schools to increase readiness for this strategy, and provide necessary gap funding that will supplement existing resources and neighborhood schools.

The FY17 proposed General Fund Budget for both initiatives is \$29,702,500. The FY17 General Fund budget as proposed includes \$1,302,500 in Class 100 funds to provide compensation for 23 full-time employees and no part-time employees. The requested Fiscal '17 budget also includes \$27,750,000 in Class 200 for contracts, \$400,000 in Class 300 and 400 for supplies, materials, and equipment, and \$250,000 in Class 500 for Community School grants.

I believe that you have my full testimony that has been submitted in writing, and at this time, I'm available for questions. With me are a number of people from the Administration who can help answer questions.

**Mayor's Office of Community Schools and Pre-K
BUDGET SUMMARY AND OTHER BUDGET DRIVERS**

Staff Demographics Summary (as of January 2016)

	Total	Minority	White	Female
Full-Time Staff	0	0	0	0
Executive Staff	0	0	0	0
Average Salary - FTS	\$0	\$0	\$0	\$0
Average Salary - ES	\$0	\$0	\$0	\$0
Median Salary - FTS	\$0	\$0	\$0	\$0
Median Salary - ES	\$0	\$0	\$0	\$0

Employment Levels (as of January 2016)

	Budgeted	Approved	Filled
Full-Time Positions	0	0	0
Part-Time Positions	0	0	0
Executive Positions	0	0	0
Overall Average Salary	\$0	\$0	\$0
Overall Median Salary	\$0	\$0	\$0

The Office's budget will be established on July 1, 2017.

Financial Summary by Class - General Fund

	Fiscal 2015 Actual Obligations	Fiscal 2016 Original Appropriations	Fiscal 2016 Estimated Obligations	Fiscal 2017 Proposed Appropriations	Difference FY17-FY16
Class 100 - Employee Compensation	\$0	\$0	\$0	\$1,302,500	\$1,302,500
Class 200 - Purchase of Services	\$0	\$0	\$0	\$27,750,000	\$27,750,000
Class 300/400 - Materials, Supplies, and Equipme	\$0	\$0	\$0	\$400,000	\$400,000
Class 500 - Contributions	\$0	\$0	\$0	\$250,000	\$250,000
Class 700 - Debt Service	\$0	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$0	\$0	\$0	\$0	\$0
Class 900 - Advances/Misc. Payments	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$29,702,500	\$29,702,500

There are no active contracts at this time.

Mayor's Office of Community Schools and Pre-K PROPOSED BUDGET OVERVIEW

PROPOSED FUNDING REQUEST

The proposed Fiscal Year 2017 general fund budget totals \$29,702,500, an increase of \$29,702,500 over Fiscal Year 2016 estimated obligation levels. This is primarily due to the fact that the Office was established in January 2016 and will have its own budget in FY17. The FY17 budget will allow the Office to support the expansion of quality Pre-K seats for 3 and 4 year olds in Philadelphia and to institute a community schools approach and provide technical assistance for neighborhood schools seeking to become a community school.

The proposed budget includes:

- \$1,302,500 in Class 100, an \$1,302,500 increase over FY16. This funding will consist of 23 positions, including a Pre-K Director, a Deputy Education Advisor (for Community Schools), 1 Deputy Pre-K Director, 1 Deputy Community Schools Director, 2 Community Outreach Directors, 1 Senior Site Coordinator, 12 Site Coordinators/Community Technical Assistants, 1 program coordinator, 1 Director of Communications, 1 data analyst, 1 policy analyst.
- \$27,750,000 in Class 200, a \$27,750,000 increase over FY16. \$26,000,000 of this funding will be contracted directly to an intermediary governing entity for Pre-K, which will manage the monies for enrollment, workforce development, fiscal administrative supports, and other administrative costs. The remaining \$1,750,000 will be utilized for professional development and technical assistance to develop community schools across the city.
- \$400,000 in Class 300 and 400, a \$400,000 increase over FY16. This funding will support program implementation with needed office supplies and equipment.
- \$250,000 in Class 500, a \$250,000 increase over FY16. This funding will cover gap services in order to support program expansion for community based providers, expanded school building hours, and other supports that will ensure our communities have equitable access to services in their community school.

Mayor's Office of Community Schools and Pre-K PERFORMANCE, CHALLENGES AND INITIATIVES

DEPARTMENT PERFORMANCE (OPERATIONS)

The metrics to measure the success of the Community Schools initiative will be determined over the next several months, as our office engages community members, providers, educators, and all other stakeholders who will be involved in the Community Schools initiative over the next 5 years. Our measurements will be informed by what communities want and need out of a Community Schools initiative, while including metrics to ensure that the City is providing equitable access to necessary resources that will improve outcomes for the children and families of Philadelphia.

Pre-K's success will be determined by existing factors recognized by national standards of quality and program evaluation. These include the Kindergarten Entry Inventory (KEI) and the Work Study Sampling (WSS). Currently, the School District of Philadelphia analyzes Kindergarten readiness for children in District run schools through the KEI. This method was developed to measure a child's readiness in social and emotional learning, literacy, basic math skills, and physical development.

Quality Pre-K providers currently utilize the WSS, as required by the State's Office of Childhood Development and Early Learning (OCDEL). The WSS measures 3 and 4 year olds growth in social-emotional skills, physical development, and basic educational attainment. Our office will utilize this existing infrastructure to ensure that our children in quality Pre-K centers are being set up to succeed later in life.

Mayor's Office of Community Schools and Pre-K
OTHER BUDGETARY IMPACTS

A decrease in federal or state funds for Head Start, Head Start Supplemental or Pre-K Counts will reduce the number of children able to access quality Pre-K in Philadelphia. The projections in our expansion of quality Pre-K rely on modest increases over the next three years, totaling 3,500 additional state and federally-funded quality Pre-K seats. Any increases or decreases in federal or state funds for quality Pre-K would therefore affect our projections.

Mayor's Office of Community Schools and Pre-K – CONTRACTING EXPERIENCE

There are no active contracts at this time.

**Mayor's Office of Community Schools and Pre-K
APPENDIX (Other Relevant Data and Charts)**

The Office has no bi-lingual employees. Our office is dedicated to working with supports in the Mayor's Office to ensure that our hiring represents the diverse nature of the city of Philadelphia. Site-Coordinators, Technical Assistance Coordinators, and other FY17 budgeted staff will have to work with a diverse set of communities. Therefore, we are actively working to recruit the best candidates that will be able to communicate with the Philadelphians these future staffers will encounter.